

RUSSIA AND THE WEST IN IRAN

it for your capital investments and flow of goods;
third, with the economic situation well in your grip, gain political influence;
fourth, absorb the country within your military sphere.

In all these fields German policy was characterized by consistency and dynamism. In this respect it is difficult to differentiate clearly between the general activities of the Weimar and the Nazi periods. Hitler's advent to power in 1933 added only new impetus to the already existing policy. In his bid for world hegemony the German dictator assigned an important role to Iran. During the Nazi period German methods were simply bolder than before, but the over-all aim—to entrench the Germans in Iran—remained essentially the same.

One may well ask, How was it that Iran, a sovereign country, with strong nationalistic leadership, allowed herself to be treated as a territory for somebody's expansion, especially in view of her successful emancipation from British and Soviet influence?

The reply is that Iran was psychologically prepared to accept the friendship and support of any strong third Power sufficiently distant not to endanger her political integrity. Such a Power could be, for example, France, the United States, or Germany. In fact, the latter two figured prominently in the plans and policies of Reza Shah, with America given the priority. This was expressed in the willingness of the Iranian government to grant oil concessions to American companies and in the engagement of Dr. Millspaugh as financial expert between 1922 and 1927. The United States might have superseded all other countries in Iran by offering its disinterested friendship and practical business opportunities. But basic American

isolationism prevented it. Accordingly, Reza Shah, fully conscious of the political implications of such an attitude, turned again to Germany.

Following the pattern to which we referred above, we shall attempt to review the four sectors in which Germany secured an uncontested supremacy in Iran.

i. *Germany and Iranian Communications*

Communications are a key problem in Iran. The economic and political unity of the country, the volume of its foreign trade, and its military preparedness depend to a considerable degree on the solu-